

**ARIZONA STATE LAND DEPARTMENT
1616 WEST ADAMS STREET
PHOENIX, ARIZONA 85007**

PUBLIC AUCTION SALE NO. 04-115925

Pursuant to A.R.S. Title 37, notice is hereby given that the state of Arizona through its Arizona State Land Department (herein ASLD), will sell at Public Auction to the highest and best bidder at 11:00am on Monday, December 2, 2013, at the Arizona State Land Department, 1616 West Adams Street, 4th Floor, Room 434B, Phoenix, Arizona, a lease to mine aggregate for a term of 10 years, with provisions to extend the term up to a maximum of twenty years with the written permission of the Commissioner, from the following described lands in Maricopa County to wit:

TOWNSHIP 5 NORTH, RANGE 1 EAST, G&SRM, MARICOPA COUNTY, ARIZONA

PARCEL: M&B IN LOTS 1 THRU 3; S2NE; SENW; N2N2N2S2, SECTION 1, CONTAINING 147.72 ACRES, MORE OR LESS.

ACCESS

PARCEL: M&B THRU E2SE, SECTION 1, CONTAINING 3.23 ACRES, MORE OR LESS.

TOWNSHIP 6 NORTH, RANGE 1 EAST, G&SRM, MARICOPA COUNTY, ARIZONA

PARCEL: M&B IN SESESW; SE, SECTION 36, CONTAINING 99.83 ACRES, MORE OR LESS.

TOTAL ACRES CONTAINING 250.78 ACRES, MORE OR LESS.

**BENEFICIARIES: PERMANENT COMMON SCHOOLS
PERMANENT COMMON SCHOOLS (INDEMINITY SELECTIONS)**

For a complete legal description of the land, prospective bidders are advised to examine the mineral materials application file as well as all pertinent files of ASLD.

The appraised unit royalty rate of the aggregate has been established at \$0.75 per ton with an annual minimum guarantee of 60,000 tons for a total minimum annual royalty of \$45,000.00. The annual rent is \$24,400.00. Additionally, the annual plant salvage fee is \$7,600.00.

Additional requirements and conditions of this sale are available and may be viewed at the ASLD, 1616 West Adams Street, Phoenix, Arizona.

The complete file associated with the described land is open to public inspection at the ASLD, 1616 West Adams Street, Phoenix, Arizona, from 8:00 a.m. to 4:30 p.m., exclusive of holidays and weekends. Please direct any questions regarding this Public Auction to the Minerals Section of the Natural

Resources Division of ASLD at (602) 542-2687. This auction notice is available on the ASLD's web site at www.azland.gov.

Each potential bidder must show ASLD's representative a cashier's check made payable to the Arizona State Land Department in the amount specified under Terms of Sale Paragraph (A) below.

TERMS OF SALE:

(A) *At the time of sale*, the successful bidder must pay the following by a cashier's check: (1) The first annual royalty of \$45,000.00 for a minimum annual production of 60,000 tons at a unit price of \$0.75 per ton; (2) Selling and Administrative Fee of 3% of the minimum annual royalty, which is \$1,350.00; (3) Annual rental, which is \$24,400.00; (4) Annual Plant Salvage Fee, which is \$7,600.00 (5) Reimbursable Appraisal Fee, which is \$2,000.00; (6) Reimbursable Estimated Advertising Fee, which is \$2,500.00; (7) Reimbursable Costs and Expenses not to exceed \$12,867.10. The total amount due at the time of sale is \$95,717.10 (less \$17,367.10 if the applicant is the successful bidder, for a total amount due of \$78,350.00).

(B) Within 30 days after the time of sale the successful bidder must pay the full balance of the amount bid for the aggregate and pay a Selling and Administrative Fee of 3% of the purchase price paid for the aggregate less the amount paid under (A) (2) above.

(C) Within 30 days after the time of auction, the successful bidder shall be required to pay the actual legal advertising cost, less the amount paid under (A)(6) above.

(D) A minimum annual royalty of \$45,000.00 or more and a 3% Selling and Administrative Fee of \$1,350.00 or more, depending on the unit royalty bid, shall be due and payable in advance or on each anniversary of the Lease. Material extracted over and above the minimum annual production of 60,000 tons shall be due at the unit bid price per ton along with the additional Selling and Administrative Fee on that amount. All such payments shall be applied as a credit to payment for material used, removed, or disposed from the premises during the term of the Lease. Monies so advanced and not credited against payments for materials used shall become the sole property of the ASLD upon termination or expiration of the Lease.

(E) No Selling and Administrative Fee shall be collected by the Department if the successful bidder at auction is the beneficiary of the land trust.

ADDITIONAL CONDITION(S):

(A) The successful bidder agrees to execute the ASLD's Lease, which shall be dated as of the auction date, within 30 days of receipt, and to perform all the terms, covenants, and conditions thereof.

(B) Entrance upon and extraction from subject land shall not be permitted until after the complete execution of the Lease. The purchaser will be required to post a reclamation and damage bond in the amount of \$100,000.00 upon execution of the Lease.

(C) For additional terms and conditions regarding annual rent and other obligations of the Lessee under

the Lease, prospective bidders are advised to examine the lease document, as well as all pertinent files of ASLD.

BIDDING INFORMATION:

(A) The highest and best bidder shall be determined on the basis of the bidder who pays forthwith the cash deposit and offers the highest royalty rate per unit for the material to be removed from the State land described herein. A bid for less than the appraised value of the aggregate or by a party who has not previously inspected the pit site and/or the associated files and records of ASLD will not be considered. The auction will consist of verbal bidding based on price per ton.

(B) All bidders must sign an affidavit stating that they have undertaken due diligence in preparation for the auction and that their representative is authorized to bid and bind the bidder. It is the bidder's responsibility to research the records of local jurisdictions and public agencies regarding this property.

(C) Pursuant to A.R.S. §37-240.B, the successful bidder must be authorized to transact business in the state of Arizona no later than three (3) business days after the auction. The successful bidder must sign an affidavit stating it is the successful bidder and sign a Certification Statement pursuant to A.R.S. Title 37 and the Rules of ASLD.

(D) If the successful bidder fails to complete the payments as stated in the auction notice together with the additional required fees within 30 days from the auction date, all amounts paid at the time of auction by the successful bidder will be forfeited.

(E) In the event of forfeiture, the ASLD Commissioner may declare that the bid placed before the final bid accepted is the highest bid, and that the bidder has five (5) days after notification by ASLD to pay by cashier's check all amounts due.

GENERAL INFORMATION:

The ASLD may cancel this sale in whole or in part at any time prior to the acceptance of a final bid.

A protest to this sale must be filed within 30 days after the first day of publication of this announcement and in accordance with Article 4.1 of A.R.S. §37-301.

Persons with a disability may request a reasonable accommodation such as a sign language interpreter, by contacting the ADA Coordinator, at (602) 364-0875. Requests should be made as early as possible to allow time to arrange the accommodation.

Joe Dixon
(for) Vanessa Hickman
State Land Commissioner

Date